

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

In re ALSTOM SA SECURITIES
LITIGATION

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Master File No. 03-CV-6595

**SUPPLEMENT TO JOINT
APPENDIX IN SUPPORT OF
DEFENDANTS' MOTIONS
TO DISMISS**

EXHIBIT G.12

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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DECLARATION OF ALAN W. TAMARELLI, JR.

I, Alan W. Tamarelli, Jr., declare as follows:

1. I am an associate with the law firm of Kirkpatrick & Lockhart LLP, attorneys of record for defendants Lord George Simpson and John Mayo in the above-captioned case.


2. I submit this declaration in support of the Motion to Dismiss filed by Messrs. Mayo and Simpson. I make this declaration upon my own personal knowledge, and if called as a witness I could and would testify to the facts stated herein.

3. Attached hereto is a true and correct copy of the following publicly available document:

- a) G.12 – Dow Jones International News, Monday, October 1, 2001, “Alstom Statement Fails to Quell Investor Fears,” by Carolyn Whelan.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 5, 2004
Pittsburgh, PA



Alan W. Tamarelli, Jr.

Westlaw.


 factiva
 Dow Jones & Reuters

Page 1

10/1/01 DJINS 08:25:00

10/1/01 Dow Jones Int'l News 08:25:00

Dow Jones International News
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Monday, October 1, 2001

NEWS SNAP: Alstom Statement Fails To Quell Investor Fears

By Carolyn Whelan

OF DOW JONES NEWSWIRES

PARIS - (Dow Jones)- French trains-to-turbine company Alstom (ALS) Monday put a figure on its exposure to its bankrupt U.S. client Renaissance Cruises, but its hopes of quelling market fears were not completely fulfilled.

"They've said that they can manage the situation," said Lehman Brothers analyst Chris Heminway, summing up the general reaction. "But in a company like this, where does the next accident come from?"

Alstom said its maximum exposure to the failed cruise company would be EUR684 million, a worst-case scenario if it was unable to resell the eight boats it had built for Renaissance. It will initially seek new charters for the cruise ships, looking to sell them if that fails, and will seek to avoid a "distress sale", it said.

Renaissance said last week that a "severe drop in leisure travel" in the wake of the September 11 terrorist attacks in the U.S. had forced it to file for bankruptcy.

Monday's announcement dispelled fears that Alstom would go under with the shipping company - fears which initially sent Alstom stock into a tailspin. It has shed 33% since the news last Thursday. Following an initial 1% rise Monday, shares at 1200 GMT were down 5.9% at EUR15.78.

But it failed to placate investors' worries over the company's high debt levels, additional funding to resell or perhaps mothball the eight ships, and the possibility that problems could spread to its other businesses.

Lehman's Heminway said the news "stabilizes concerns" over bankruptcy, adding: "But the fact that they have additional exposure is not welcome."

The company has commitments of EUR589 million for ships for other customers, backed by mortgages, for which it expects no defaults. That adds up to a potential liability of EUR1.27 billion.

Not everyone is convinced about stability. "If it was contained to Renaissance,

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Page 2

10/1/01 DJINS 08:25:00

I wouldn't worry, but this could spread to other parts of the business," said UBS Warburg analyst Michael Hagmann. "Given the poor state of the industry, there is a risk that other operators are in trouble as well."

A major worry is Alstom's balance sheet, which Hagmann describes as "fragile". He said: "With a total balance sheet of EUR32 billion, equity of EUR2 billion and goodwill of EUR6 billion, there is a risk that goodwill could wipe out equity".

"It's difficult to value the company if you don't know how much equity they will lose," he added.

Skeptics question the company's chances of reselling the boats, which were delivered to Renaissance between 1998 and February this year. In today's environment, Heminway puts those odds at "zero." And storing and revamping the boats will also require extra cash.

Collectively, those issues cast doubt over management credibility and transparency.

"Why this company got involved in vendor-financing is a mystery to me," said one London-based analyst. "Management credibility has been severely undermined."

Company Web site: <http://www.alstom.com>

-By Carolyn Whelan, Dow Jones Newswires; 331-4017-1740; carolyn.whelan@dowjones.com

----- INDEX REFERENCES -----

COMPANY (TICKER): Alstom S.A. (Ads); Alstom S.A. (ALS F.ALS)

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10/1/01 DJINS 08:25:00

Page 3

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